

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT	)	CASE NO.
FILING OF ELAM UTILITY COMPANY	)	2004-00031

ORDER

On March 30, 2001, in Case No. 2000-00432, the Commission approved rates for Elam Utility Company ("Elam") and provided for their further adjustment on a quarterly basis in accordance with Elam's gas cost adjustment ("GCA") clause.

On January 30, 2004, Elam filed its proposed GCA to be effective March 1, 2004.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Elam's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Elam's Expected Gas Cost ("EGC") is \$5.9719, which is 92.68 cents per Mcf less than the previously approved EGC of \$6.8987.
3. Elam's notice sets out no current refund adjustment ("RA").
4. Elam's notice sets out a current quarter actual adjustment ("AA") of .59 cent per Mcf. Elam's notice sets out a total AA of 25.71 cents per Mcf, which is an increase of .59 cent from the previous total AA.
5. Elam's notice sets out no current quarter balance adjustment ("BA"). Elam's notice sets out no total BA. Elam has a previous quarter BA of (62.5) cents per

Mcf that should be carried forward. Elam's total BA is (62.5) cents per Mcf, which is no change from the previous total BA.

6. Elam's revised GCA is \$5.604 per Mcf, which is 92.09 cents per Mcf less than the previous GCA of \$6.5249.

7. The rates in the Appendix to this Order are fair, just and reasonable, and should be approved for billing for service rendered by Elam on and after March 1, 2004.

IT IS THEREFORE ORDERED that:

1. Elam's proposed rates are denied.
2. The rates in the Appendix to this Order are approved for billing for service rendered on and after March 1, 2004.
3. Within 20 days of the date of this Order, Elam shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of February, 2004.

By the Commission

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00031 DATED February 23, 2004

The following rates and charges are prescribed for the customers served by Elam Utility Company. All other rates and charges not specifically mentioned herein shall remain in effect under authority of this Commission prior to the effective date of this Order.

#### RATES:

##### Residential

	<u>Base Rate</u>	<u>Gas Cost Adjustment</u>	<u>Total</u>
Customer Charge			\$6.15
All Mcf	\$4.2999	\$5.6040	\$9.9039

##### Industrial

Customer Charge			\$9.00
All Mcf	\$3.8101	\$5.6040	\$9.4141